

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5066
ANSWERED ON:11.05.2007
SBI SUBSIDIARY BANKS LAWS AMENDMENT BILL
Deora Shri Milind Murti

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has given its approval for carrying out the amendments to the State Bank of India (Subsidiary Banks Laws) Amendment Bill, 2006;
- (b) if so, the reasons for carrying out the amendments in the Bill;
- (c) the impact of these amendments on its subsidiaries like State Bank of Bikaner and Jaipur, State Bank of Patiala and State Bank of Mysore etc.?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : The State Bank of India (Subsidiary Banks Laws) Amendment Bill, 2006 was introduced in the Lok Sabha on 22nd May, 2006. The Bill was referred to the Standing Committee of Parliament on Finance by the Hon'ble Speaker. The Standing Committee in its report recommended certain modifications to the Bill. In accordance with the recommendations of the Standing Committee, the Government has approved amendments to the aforesaid Bill. The amendments proposed would enhance flexibility of the Board of Directors, improve corporate governance and provide power to the Boards of the subsidiary banks to frame regulations.